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STATE OF MONTANA

BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

PUBLISHED: March 5, 1998
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12:01 a.m.

PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

EFFECTIVE APRIL 1, 1998:

The minimum price to pay milk producers, under ARM 32.24.301, is \$15.87 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of fifteen cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be one dollar and fifty cents (\$1.50).

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5%

\$12.80 /CWT

Average spray process dry milk solids
price per pound = \$1.06000
Multiplied by 8.2 x 8.2

\$8.69200

PLUS +

Average Grade 'A' 92 score butter
price per pound = \$1.26000
Multiplied by 4.2 x 4.2

\$5.29200

LESS 8.5% (\$13.98400 X .085)

+ \$5.29200

\$13.98400

- \$1.18864

\$12.79536

Rounded to the nearest whole cent = \$12.80 /hundredweight.

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HELENA, MONTANA 59601

\$8.69200

CLASS II BUTTERFAT PRICE PER POUND**\$1.40 /LB**

Butterfat differential	(	\$1.26000	X .111)	=	\$0.13986
Rounded to the nearest half cent				=	\$0.140

CLASS II VALUE OF ONE POUND OF SKIM**0.081865285 /LB**

Butterfat value per pound	=	\$1.40
for milk, at 3.5% test:		

Hundredweight price of milk testing 3.5%	=	\$12.80
LESS 3.5 pounds of butterfat at	\$1.40 per pound	- \$4.900

Value of 96.5 pounds of skim	=	\$7.900
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Value of one pound of skim	(	7.900 / 96.5 pounds)	=	\$0.08187 /LB
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PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS III BUTTERFAT PRICE PER POUND**\$1.13 /LB**

Avg. Grade 'A' 92 score butter price/LB	\$1.26000
LESS 10%	- \$0.12600
	\$1.13400

Rounded to the nearest whole cent	=	\$1.13 per pound.
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CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED**7.21436 /CWT**

Avg. spray process dry milk solid price/LB	\$1.06000
Multiplied by 8.2	8.2
	\$8.69200
LESS 17%	- \$1.47764
	\$7.21436

Rounded to the nearest whole cent	=	\$7.21 per hundredweight.
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CLASS III PRICE PER CWT FOR MILK TESTING 3.5%**\$10.92 /CWT**

3.5 pounds of butterfat	x	\$1.13 per pound =	\$3.955
96.5 pounds of skim		\$0.07214 per pound =	\$6.962

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

\$10.917 /CWT

Compiled by:

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 Marlys M. Koontz, Program Specialist
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$15.87 FOR 3.5% MILK 96.5 LBS = \$10.620		CLASS II SKIM PRICE BASED ON \$12.80 FOR 3.5% MILK 96.5 LBS = \$7.900		CLASS III SKIM PRICE BASED ON \$10.92 FOR 3.5% MILK 96.5 LBS = \$6.962	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.10892	2.50	\$0.08103	2.50	\$0.07140
2.55	\$0.10898	2.55	\$0.08107	2.55	\$0.07144
2.60	\$0.10903	2.60	\$0.08111	2.60	\$0.07147
2.65	\$0.10909	2.65	\$0.08115	2.65	\$0.07151
2.70	\$0.10915	2.70	\$0.08119	2.70	\$0.07155
2.75	\$0.10920	2.75	\$0.08123	2.75	\$0.07158
2.80	\$0.10926	2.80	\$0.08128	2.80	\$0.07162
2.85	\$0.10932	2.85	\$0.08132	2.85	\$0.07166
2.90	\$0.10937	2.90	\$0.08136	2.90	\$0.07169
2.95	\$0.10943	2.95	\$0.08140	2.95	\$0.07173
3.00	\$0.10948	3.00	\$0.08144	3.00	\$0.07177
3.05	\$0.10954	3.05	\$0.08149	3.05	\$0.07181
3.10	\$0.10960	3.10	\$0.08153	3.10	\$0.07184
3.15	\$0.10965	3.15	\$0.08157	3.15	\$0.07188
3.20	\$0.10971	3.20	\$0.08161	3.20	\$0.07192
3.25	\$0.10977	3.25	\$0.08165	3.25	\$0.07195
3.30	\$0.10982	3.30	\$0.08170	3.30	\$0.07199
3.35	\$0.10988	3.35	\$0.08174	3.35	\$0.07203
3.40	\$0.10994	3.40	\$0.08178	3.40	\$0.07207
3.45	\$0.10999	3.45	\$0.08182	3.45	\$0.07210
3.50	\$0.11005	3.50	\$0.08187	3.50	\$0.07214
3.55	\$0.11011	3.55	\$0.08191	3.55	\$0.07218
3.60	\$0.11017	3.60	\$0.08195	3.60	\$0.07221
3.65	\$0.11022	3.65	\$0.08199	3.65	\$0.07225
3.70	\$0.11028	3.70	\$0.08204	3.70	\$0.07229
3.75	\$0.11034	3.75	\$0.08208	3.75	\$0.07233
3.80	\$0.11040	3.80	\$0.08212	3.80	\$0.07236
3.85	\$0.11045	3.85	\$0.08216	3.85	\$0.07240
3.90	\$0.11051	3.90	\$0.08221	3.90	\$0.07244
3.95	\$0.11057	3.95	\$0.08225	3.95	\$0.07248
4.00	\$0.11063	4.00	\$0.08229	4.00	\$0.07252
4.05	\$0.11068	4.05	\$0.08233	4.05	\$0.07255
4.10	\$0.11074	4.10	\$0.08238	4.10	\$0.07259
4.15	\$0.11080	4.15	\$0.08242	4.15	\$0.07263
4.20	\$0.11086	4.20	\$0.08246	4.20	\$0.07267
4.25	\$0.11091	4.25	\$0.08251	4.25	\$0.07271
4.30	\$0.11097	4.30	\$0.08255	4.30	\$0.07274
4.35	\$0.11103	4.35	\$0.08259	4.35	\$0.07278
4.40	\$0.11109	4.40	\$0.08264	4.40	\$0.07282
4.45	\$0.11115	4.45	\$0.08268	4.45	\$0.07286
4.50	\$0.11120	4.50	\$0.08272	4.50	\$0.07290

PRODUCER CLASS I PRICE IN MONTANA

Comparison of Class I price in 1997 & 1998

MONTANA MILK CONTROL BUREAU

Month	1997	1998	Difference	% Change
January	\$14.16	\$15.51	\$1.35	8.70%
February	\$13.89	\$15.84	\$1.95	12.31%
March	\$14.49	\$15.80	\$1.31	8.29%
April	\$15.01	\$15.87	\$0.86	5.42%
May	\$15.04			
June	\$13.99			
July	\$13.25			
August	\$13.29			
September	\$13.41			
October	\$14.62			
November	\$15.34			
December	\$15.38			
Average	\$14.32	\$15.76		

PRODUCER CLASS I PRICE IN MONTANA

Comparison of Class I price in 1997 & 1998

